Foreign CROPS AND MARKETS

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ALMOND PRODUCTION (Medit. Basin)
(Page 24)

DAIRY PRODUCTS (World Output)
(Page 28)

CONTENTS

FOR RELEASE
MONDAY
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UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

L A T E N E W S

The first estimate of apple production in Canada for 1949 is placed at 16.8 million bushels, or 27 percent higher than the 1948 crop of 13.3 million bushels. Production in Nova Scotia, indicated at 4.5 million bushels, and British Columbia at 7.5 million compare with 2.2 and 7.2 million in 1948 respectively.

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Sweden abolished rationing of meats in retail shops on June 20. Meat served in restaurants, however, had been free of rationing restrictions for some time. Increased supplies made it possible to remove controls.

It is reported that the Netherlands de-rationed butter, margarine, fat and edible oils June 24. Edible fats and oils had been rationed in that country for almost 9 years since July 1940.

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The Uruguayan meat export quota for 1949 has been set at 198 million pounds, representing an increase of 55 million pounds over the amount fixed in March this year. Increased numbers of livestock and good pasture conditions have made this increase possible.

(Continued on Page 41)

FOREIGN CROPS AND MARKETS

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1949 MEDITERRANEAN BASIN ALMOND PRODUCTION AGAIN BELOW AVERAGE 1/

The 1949 preliminary forecast of shelled almond production in the 6 leading foreign commercial producing countries is 57,500 short tons compared with 54,700 tons (revised) in 1948 and 77,500 tons in 1947. The forecast is 18 percent below the 5-year (1943-47) average of 70,500 tons and 15 percent below the 10-year (1938-47) average of 67,600 tons.

Italy, the world's largest producer of shelled almonds, again has a very poor crop in the making. The production in France and French Morocco, both minor producers, is also expected to be below that of 1948. In Spain, present indications point to a crop slightly above average but weather damage in the important Alicante district raises some doubt whether the forecast will stand when harvest commences in August. The United States estimate is not yet available, but according to trade sources, it is expected to be one of the largest on record.

Growing conditions in this group of countries have been far from uniform this season. The best growing conditions are reported from Iran and Portugal where larger crops than last year's are now expected. In France, French Morocco, and the Valencia (Alicante) district of Spain there was considerable weather damage during blossoming. In Spain, all other districts report conditions having been from good to ideal. Italy reports the poorest growing conditions. The unseasonable snow and cold weather in the first week of March during blossoming is reported to have ruined half or more of the Sicilian crop and a smaller but undetermined percentage in Bari.

It is estimated about 23,400 short tons of 1948 almonds remain unsold as the 1948-49 season closes. Italy is reported to have an estimated 11,500 short tons; Spain 11,000 tons, and Portugal 600 tons. The carry-over represents 43 percent of the estimated 1948 production. At the same time last year the carry-over from the 1947 crop was extimated at 32,000 tons (revised). At the close of the 1947-48 marketing season Italy alone had a carry-over about equal to the present carry-over for all 6 countries. On basis of present information the Mediterranean supply of almonds for the 1949-50 marketing year will be 80,900 short tons compared with 86,700 tons at the start of the 1948-49 season. The carry-over in Italy and Spain is still largely in the hands of growers. In Portugal and other minor producing countries the small carry-over is in the hands of the trade.

The season now closing from the export point of view was still a long ways from a normal prewar year. The official export statistics for these countries are still not available. On the basis of trade estimates about 36,000 short tons of shelled nuts appear to have found their way into international trade channels. Italy was the principal supplier, having provided an estimated 20,000 short tons, and Spain was second with an estimated 10,000 tons.

1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations.

ALMONDS, SHELLED: Estimated commercial production in specified countries, 1949 with comparisons

(Rounded to nearest 100 short tons)

Year	France	French Morocco	Iran	Italy	Portugal	Spain	Foreign total	United States unshelled
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
Average								
1943-47	800	1,700	6,500	34,800	2,200	24,500	70,500	27,100
1938-47	700	2,200	7,100	30,800	2,600	24,200	67,600	21,400
Annual								
1938	500	3,100	11,000	44,000	3,500	24,000	86,100	15,000
1939	200	4,900	8,800	15,000	7,000	20,000	55,900	21,600
1940	800	2,200	8,800	28,600	2,200	24,700	67,300	12,000
1941	700	1,600	4,400	31,900	200	24,200	63,000	6,000
1942	800	1,600	5,300	14,500	2,000	27,000	51,200	23,800
1943	600	1,100	7,000	21,400	2,100	29,000	61,200	17,500
1944	1,000	600	5,300	22,700	1,700	20,900	52,200	24,000
1945	500	3,300	6,600	50,600	2,300	26,400	89,700	27,200
1946	700	2,400	7,700	33,000	3,700	24,200	71,700	37,800
1947	1,000	1,200	6,000	46,200	1,100	22,000	77,500	29,200
1948 1/	1,100	3,300	7,700	18,700	2,900	2/21,000	2/54,700	29,600
1949 1/	300	2,200	8,200	18,000	3,500	25,300	57,500	3/

1/ Preliminary.
2/ Revised.
3/ California estimate not yet available. June 1 percentage of full crop was 74% compared with 60% a year ago. Trade sources indicate a record or near record crop may be expected.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research, and other information.

The principal European buyers of almonds were the United Kingdom, France, Belgium, and the Scandinavian countries. India was a good market during most of the season. United States foreign purchases during the season probably will fall below that of 1947-48 when 6,135 tons of shelled almonds were imported for consumption. United States imports for consumption to the end of April 1949 totalled 4,611 tons and May declared exports were only 30 tons. Italy was the principal supplier of shelled almonds to the United States as has been the case since the 1946-47 season. United States importers have been out of the Spanish market since last fall when countervailing duties were levied on Spanish almonds. United States imports for the past 2 years have been largely small bar size and specialty almonds.

The outlook for the 1949-50 marketing season in the Mediterranean countries is a little obscure at this time. While in some exporting countries a certain amount of early season optimism prevails for the new season, there are still some major obstacles to a return to a normal prewar export movement. Germany, traditionally Europe's major consumer of almonds, is still out of the market. A small start has been made to revive this trade, primarily due to the efforts of energetic Italian exporters. If this market were open, half of the visible Italian 1949-50 supply would be taken by Germany, thereby reducing the selling pressure in all of the producing countries.

The various trade agreements put into operation or presently being negotiated by European countries are expected to facilitate the export movement of almonds and other nuts in that part of the world. The British Government action placing Mediterranean nuts on open general license has been a boon to countries having difficulty moving exportable surpluses. This is expected to be a big help during the new season.

On the other side of this picture early season reports indicate that a very large Turkish filbert crop is expected with a price structure that should be very attractive to financially weak European countries and bargain-hunting buyers in other parts of the world. The early season estimates from trade sources in the United States indicate record or near-record crops of almonds, filberts, and walnuts. There is a slowing down of consumers' purchases, according to the trade. On the basis of the indicated supply of United States grown nuts, it appears that United States imports of the types grown in this country during the 1949-50 season will be smaller than during the season now closing.

UNITED STATES: Imports for consumption of shelled and unshelled almonds, from specified countries, 1947-48, with comparisons.

Season, September through August

Year	French Morocco	Italy	Portugal	Spain	Other countries	Total
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
Shelled:						
Average:						
1943/44 - 1947/48	21	1,548	692	4,977	52	7,290
1938/39 - 1947/48	16	870	497	2,577	172	4,132
Annual:						
1943-44	0	0	1,271	6,930	53	8,254
1944-45	15	0	1,218	8,061	31	9,325
1945-46	28	1,508	688	7,140	73	9,437
1946-47	34	2,054	187	950	76	3,301
1947-48	27	4,179	98	1,805	26	6,135
1948-49 1/	0	4,172	137	255	47	4,611
Unshelled						
Average:						
1943/44 - 1947/48	0	3	5	201	2	211
1938/39 - 1947/48	0	2	3	100	1	106
Annual:						
1943-44	0	0	14	425	0	439
1944-45	0	0	11	170	0	181
1945-46	0	0	0	263	5	268
1946-47	0	6	0	145	6	157
1947-48	0	9	0	0	2/	9
1948-49 1/	0	1	0	0	1	2

1/ 8 months, September through April, 1949.
2/ Less than one-half ton.

Compiled from official records of the Bureau of the Census.

WORLD OUTPUT OF DAIRY PRODUCTS, FIRST QUARTER 1949

Production of manufactured dairy products in most of the major producing countries in the first quarter of 1949 was well above that for the same quarter a year earlier and thus continues the upward swing begun in the last quarter of 1948. The larger output of dairy products reflects the increase of milk production which occurred during the same period, most of which was diverted to manufacturing uses. As a result, cheese, dried milk and butter production increased 26, 20 and 14 percent, respectively, while evaporated and condensed milk was the only product that dropped below the first quarter production of 1948.

The increase in production is attributed to a much improved feed situation and in some instances to an increase in the number of milk cows in many of the principal milk producing countries. Larger supplies of milk in many countries made it possible to relax or remove restrictions on utilization, permitting freer diversion of milk to those products which would bring the greatest monetary return.

Although milk cow numbers in Canada and the United States decreased, the production of milk and dairy products increased because of the favorable domestic feed situation. Australian and New Zealand production also reflected improved pasture for dairy herds, but production in the Union of South Africa is somewhat lower than normal, owing to the dry weather early in the year. In Europe, however, the increase in numbers and the larger quantity of indigenous and imported feed supplies have materially increased production in most of the dairy products.

Substantial increases in butter production occurred in the major producing or reporting countries, with the exception of Switzerland and the Union of South Africa. Butter production in Switzerland, decreased 15 percent as a result of a bonus being paid for milk used in processing cheese. In the Union of South Africa the butter output reflected the general decrease in milk production.

Output of butter in Denmark was 21 percent larger than a year ago, reflecting an improvement in milk production which occurred in the first 3 months of this year. In the Netherlands, an increase of 52 percent in milk deliveries to plants resulted in a 26 percent rise in the amount of butter produced in the same period.

The butter production in Ireland, in the January-March quarter, was 52 percent above that of 1948. This permitted a sizable increase in the domestic rations, and provided larger quantities for export. The output of milk in the United Kingdom during the first quarter of 1949 was considerably greater than that of a year earlier. The increase in production provided sufficient amounts of fluid milk for unrationed market demands, and permitted an increase in butter production well above that of 1948. Last year smaller amounts of milk were used in fluid form because of ration restrictions.

DAIRY PRODUCTS: Output in principal producing and exporting countries, first quarter (calendar) 1949, with comparisons

Country and product	Average 1934-38	Total 1948	1948				1949	First quarter 1949/48
			1st quarter	2nd quarter	3rd quarter	4th quarter	1st quarter	
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	Percent
Butter 1/								
Canada	248,119	2/ 284,431	2/ 28,374	2/ 93,492	2/ 109,828	2/ 52,737	30,118	106
United States	1,673,328	2/ 1,214,482	2/ 246,497	371,930	339,655	256,400	295,105	120
Belgium	46,179	3/ 66,000	-	-	-	-	-	-
Denmark	400,660	267,199	53,572	77,823	72,311	63,493	64,822	121
France	4/ 5/ 444,888	203,606	26,803	56,246	63,556	56,996	-	-
Germany	792,000	-	-	-	-	-	-	-
Ireland	89,400	63,900	2,412	18,758	28,382	14,348	3,666	152
Netherlands	201,000	2/ 155,823	2/ 18,972	48,356	53,698	2/ 34,797	23,924	126
Norway	24,930	-	3,355	7,187	5,185	-	-	-
Sweden	151,309	197,724	2/ 41,239	54,813	58,010	43,662	-	-
Switzerland 4/	57,760	30,864	2/ 6,658	7,507	8,666	8,033	5,639	85
United Kingdom	44,200	18,772	1,792	7,437	5,690	3,853	4,525	252
Argentina	65,742	-	35,864	24,865	-	-	-	-
Union of South Africa	27,725	48,589	2/ 17,051	2/ 11,224	2/ 8,265	12,049	14,460	85
Australia	6/ 473,032	354,834	104,264	58,329	70,934	121,307	104,743	100
New Zealand - total	7/ 366,049	-	103,600	29,210	58,352	-	-	-
Export gradings	8/ 314,753	2/ 300,533	2/ 91,553	22,234	47,633	2/ 139,113	106,833	117
Cheese 9/								
Canada	114,699	2/ 86,640	2/ 3,587	2/ 31,173	2/ 41,465	2/ 10,415	2,643	74
United States	643,234	2/ 1,098,003	2/ 209,828	356,300	310,230	221,645	255,685	122
Denmark	68,820	2/ 123,237	16,755	41,226	38,580	2/ 26,676	21,614	129
France	4/ 5/ 363,098	313,840	40,598	93,422	95,159	84,661	-	-
Italy 10/	523,518	11/ 441,000	-	-	-	-	-	-
Netherlands 12/	266,549	213,478	16,045	68,999	2/ 75,491	52,943	35,728	223
Norway	39,067	-	3,886	12,489	9,093	-	-	-
Sweden	71,269	113,967	23,995	36,281	2/ 33,865	19,826	-	-
Switzerland	111,729	101,412	2/ 13,532	30,432	36,195	21,255	16,347	121
United Kingdom 12/	109,000	2/ 58,554	2/ 5,690	17,920	24,416	10,528	16,845	296
Argentina	67,873	-	61,447	45,687	-	-	-	-
Union of South Africa	10,195	19,065	2/ 6,074	2/ 4,058	2/ 3,945	4,988	5,395	89
Australia	6/ 49,111	93,417	21,721	11,467	21,903	38,326	23,513	108
New Zealand - total	7/ 201,272	-	61,510	16,576	-	-	-	-
Export gradings	8/ 194,175	2/ 194,742	64,531	23,108	17,644	2/ 89,459	72,473	112

DAIRY PRODUCTS: Output in principal producing and exporting countries, first quarter (calendar) 1949, with comparisons

Country and product	Average 1934-38	Total 1948	1948				1949	First quarter 1949/48
			1st quarter	2nd quarter	3rd quarter	4th quarter	1st quarter	
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	Percent
Canned milk (Evap. & Cond.)								
Canada 13/	92,377	2/ 296,805	2/ 37,349	2/ 98,405	2/ 105,401	2/ 55,650	42,571	114
United States 13/	2,469,535	2/ 4,515,450	2/ 862,215	2/ 1,575,895	1,352,225	725,115	740,950	86
Cuba 5/	32,564	29,165	4,338	5,326	10,790	8,711	-	-
Denmark	40,785	-	9,453	14,131	15,293	-	-	-
France 14/	28,953	2/ 53,404	2/ 4,304	17,319	19,994	11,287	-	-
Netherlands	304,896	2/ 137,133	9,771	2/ 44,142	36,253	2/ 46,967	53,889	552
Switzerland	14,198	-	-	-	-	-	-	-
United Kingdom	378,560	2/ 187,354	24,909	91,840	39,604	2/ 31,001	31,091	125
Argentina	-	-	4,171	2,743	-	-	-	-
Australia 6/ 15/	41,894	2/ 133,364	2/ 36,335	16,333	27,202	53,494	29,167	80
New Zealand 5/	11,273	16/	-	-	-	-	-	-
Dried milk 17/								
Canada	23,488	2/ 82,574	2/ 7,669	2/ 28,679	2/ 29,229	2/ 16,997	10,905	142
United States 5/	203,555	2/ 858,125	166,260	2/ 331,065	210,830	149,970	220,140	127
Belgium	5,500	-	-	-	-	-	-	-
Denmark	2,205	-	1,645	4,365	3,243	-	-	-
France 14/	7,685	4,173	2/ 791	1,237	2/ 1,094	2/ 1,051	-	-
Netherlands	56,438	2/ 53,935	1,316	2/ 24,867	21,473	2/ 6,279	3,294	250
Sweden	1,351	24,733	5,095	2/ 7,030	7,966	4,642	-	-
Switzerland	2,381	-	-	-	-	-	-	-
United Kingdom	33,600	2/ 77,505	22,669	34,048	2/ 15,411	5,377	10,572	47
Argentina	18/	-	5,838	3,163	-	-	-	-
Australia 6/	16,971	2/19/20/ 70,528	19/ 17,242	19/ 9,457	19/ 15,036	2/19/ 28,793	21,613	125
New Zealand 21/	17,429	16/	-	-	-	-	-	-

1/ Creamery butter. 2/ Revised. 3/ These figures represent controlled production of butter. 4/ Total production. 5/ Less than a 5-year average. 6/ Production year beginning July 1. 7/ Production year beginning April 1. 8/ Marketing year beginning August 1. 9/ Factory cheese. 10/ Total cheese, and includes cheese made from the milk of sheep and goats. 11/ Estimated. 12/ Includes farm cheese. 13/ Both bulk and case goods. 14/ For 1937 only. 15/ Revised to include concentrated milk. 16/ Canned and dried milk reported at 73,346,000 pounds for 1948. 17/ Total dried-whole and dried-skim milk for human consumption. 18/ Quantity small. 19/ Includes infants' food, health beverages, etc. 20/ Production of dried-whole and dried-skim milk was 49,669,000 pounds in 1948. 21/ For 1938 only.

Office of Foreign Agricultural Relations. Prepared or estimated from official statistics, United States Foreign Service reports, and other information.

Largely as a result of the recovery from unfavorable producing conditions in the principal dairy areas in Australia, during the opening months of the current year, butter production in that country was maintained at a level comparable to 1948. In New Zealand, pastures were good throughout the quarter under consideration and butter-gradings for export increased 17 percent. This was partly due to continued butter rationing needed to maintain current exports at a high level.

Canadian milk production in the first quarter of 1949 showed little change from that of a year ago, but butter output in the same quarter was approximately 6 percent larger. During this same period 11 million pounds of margarine were produced compared to none a year earlier. In the United States an increase of 20 percent in the production of butter is attributed to larger milk production and a lessening of the demand for whole milk especially by condenseries.

Cheese production in the first quarter of 1949 showed the largest increase of any manufactured dairy product. In Switzerland the output of cheese, in this period, was 21 percent above that of a year ago. This gain was achieved at the expense of butter production in anticipation of re-entrance by the Swiss into some of their prewar export markets. Larger quantities of cheese were manufactured in Denmark and the Netherlands, as conditions for production in both countries were much more favorable in the initial quarter of the current year than in the same quarter of 1948. This continues the general upward trend in Danish cheese output for the fifth consecutive year. Cheese output in the United Kingdom also showed a marked rise in this period. The Australian cheese output showed an increase of 8 percent in the first quarter of 1949 over the first quarter of the preceding year. This was due primarily to the increased milk production in March when the output was larger than that of any corresponding month in recent years. While data for total cheese manufactured in New Zealand are not available, it is indicated that production will be well above 1948. Cheese-gradings for export in the first 3 months of 1949 was 12 percent larger than in the corresponding period a year ago.

Production of cheese in the United States, for January through March, was approximately 22 percent larger than in the same period of 1948 and was the largest ever attained for that quarter. Canadian cheese production declined 26 percent as a result of larger quantities of milk being diverted to other uses, particularly to butter. However, cheese production is expected to increase and probably attain a higher level than last year.

Evaporated and condensed milk was the only manufactured dairy product whose output declined during the first quarter of 1949. While Canada, the United Kingdom and the Netherlands increased their manufacture of these products in this quarter, their output is small compared with the United States where production was 14 percent below

that of 1948. This decrease occurred in evaporated milk which is processed on a much larger scale than condensed milk. In the first quarter of evaporated milk production in this country dropped about 17 percent below the same quarter of last year. The production of evaporated and condensed milk in Australia, the only other country reporting, was down 20 percent in the first 3 months of 1949 as compared with the corresponding 3 months of 1948.

Dried milk production in the first quarter of 1949 showed an increase over the corresponding period of 1948. Both the United States and Canada, two of the major producers of dried milk products, experienced a decrease in the production of dried whole milk, but substantially accelerated the output of dry non-fat milk. The net increase in dried milk products for these countries was 32 percent and 42 percent, respectively, in the first quarter of 1949 compared with January-March, 1948.

The United States production increase in dry non-fat milk of 46 percent is largely the result of increased milk production, diversion of milk from evaporated and dried whole milk to butter production combined with continued Government purchases for export and price support. The Netherlands and Australia were the only other countries to show an increase in production of dried milk in the first quarter of 1949. Output in the United Kingdom, on the other hand, was only 47 percent of a year ago.

Current Conditions Abroad

Canada: Livestock came through the winter in good condition. Pasture growth is good. Farmers are well supplied with feeds.

Cuba: In May, seasonal rainfall over most of the Island improved pastures rapidly, causing a marked increase in milk production, and giving impetus to the output of canned milk and other dairy products.

Ireland: Weather and pasture conditions are favorable. Dairy output shows improvement.

United Kingdom: Conditions for milk production continue favorable. Pastures have developed as a result of the mild weather and supplies of fodder and other feeds are adequate.

The Netherlands: Dairy cattle came through the comparatively mild winter in excellent condition. Feeds are plentiful.

Denmark: Warm weather and ample rainfall in May provided good growing conditions. Pastures are excellent.

France: Dairy production, aided by timely spring rains which have eased the threat of drought, has been increasing seasonally. Since the middle of May, production of dairy products has been adequate to meet practically all current domestic requirements.

(Continued on Page 41)

COMMODITY DEVELOPMENTS

FATS AND OILS

U. S. EXPORTS OF SPECIFIED
FATS, OILS, AND OILSEEDS

The following table shows United States exports of specified fats, oils, and oilseeds during January-May 1949 with comparisons:

UNITED STATES: Exports of specified fats, oils, and oilseeds, January-May 1949 with comparisons

Commodity	Unit	Average 1935-39	1947	1948 1/	January-May 1948 1/	January-May 1949 1/
Soybeans	1,000 bu.	2/ 4,793	2,505	6,497	2,100	12,597
Soybean oil						
Refined	1,000 lbs.	3/ 6,467	38,883	41,266	22,866	91,550
Crude	" "		68,395	41,769	31,048	84,992
Coconut oil	" "					
Refined	" "	3,789	5,491	9,273	6,543	1,878
Crude	" "	10,442	52,427	9,820	5,953	3,365
Cottonseed oil						
Refined	" "	4,793	10,977	22,627	19,146	45,508
Crude	" "	1,515	901	10,094	2,176	18,602
Flaxseed	1,000 bu.	3/	16	1,650	15	2,903
Linseed oil	1,000 lbs.	1,280	9,855	29,636	14,852	2,455
Peanuts						
Shelled	" "	3/ 452	212,253	458,655	223,794	210,300
Not shelled	" "		18,681	10,594	3,827	3,724
Peanut oil, refined	" "	4/ 325	1,579	685	627	12,082
Cooking fats	" "	2,111	3,594	3,522	1,404	2,107
Lard	" "	165,636	380,735	271,835	133,290	287,527
Oleomargarine		180	19,954	3,408	2,361	990
Tallow						
Edible		3/ 1,651	601	1,377	1,193	11,416
Inedible			54,553	67,995	13,089	158,044

1/ Preliminary. 2/ Average of less than 5 years. 3/ Not separately classified in Foreign Commerce and Navigation. 4/ 1939 only.

Compiled from official sources.

ITALIAN OILSEED
PRODUCTION DOWN

Italy's 1949 oilseed production (exclusive of olives) may not exceed 50,000 short tons, compared with almost 66,000 in 1948 and the all-time peak of 75,000 reached in 1947. This is the result of acreage reductions which were in accordance with Italy's long-term program for decreased oilseed production.

ITALY: Oilseed production, 1949
with comparisons

Oilseed	Average 1935-39	1947	1948	1949 1/
	Short tons	Short tons	Short tons	Short tons
Rapeseed	2/ 2,183	22,953	23,469	16,535
Peanuts	2/ 1,642	7,935	7,166	4,409
Sunflower seed	2/ 25	12,350	8,062	6,614
Sesame seed	2/ 444	734	478	551
Soybeans	2/ 16	4,494	3,201	3,307
Castor beans	2/ 3,597	4,683	3,213	3,307
Flaxseed	5,669	12,719	13,220	3/
Hemp seed	3,474	2,989	2,714	3/
Cottonseed	9,370	5,678	4,370	3/

1/ Preliminary. 2/ Average of less than 5 years. 3/ Not available.

American Embassy, Rome.

Oilseeds provide only a small proportion of the vegetable oils consumed in Italy, olives being by far the most important source. Seeds most commonly grown for oil are rapeseed, peanuts, sunflower seed, sesame seed, soybeans, and castor beans. In addition oilseeds are obtained from the flax, hemp and cotton fiber plants. Moreover, a variety of oilbearing materials, which are grown principally for other purposes, are also pressed for oil whenever profitable. For example, there is regular pressing of grape seed, corn, rice, tobacco seed, poppy seed, tomato seed, and nuts, particularly when the prices of the latter are low and oil prices are high.

In Italy oilseed production and foreign trade are closely associated with olive oil production. As a direct consequence of the large olive crop in 1947 and improved world availabilities, oilseed plantings were decreased in 1948. A very poor olive crop in 1948 and the decreased domestic oilseed production necessitated large imports of oilseeds. In 1948 imports of oilseeds totaled over 48,300 tons, nearly twice as much as in 1947 but only one-fourth of prewar. Imports have been an important factor this year in preventing substantial increases in prices of edible oils. As imports have mounted, prices have continued to decline. Exports of oilseeds have been negligible.

URUGUAY HARVESTS RECORD
SUNFLOWER, PEANUT CROPS

Uruguay's 1949 sunflower and peanut crops are the largest on record, according to official figures just released. Over 66,500 short tons of sunflower seed were harvested from 280,000 acres (planted), compared with 41,200 tons (revised) from 206,000 acres in 1948 and 2,590 tons from 11,250 acres prewar.

Peanut production was almost 11,500 tons from 43,000 acres (planted) as against the revised figures of 10,600 tons and 34,400 acres a year ago and the prewar average of 1,180 tons and 4,740 acres.

Notice was given June 14 by the Controller of Exports and Imports of the opening of the export quota to the amount of 4,400 tons of peanut oil and/or sunflower seed oil, or the equivalent in seeds (up to 11,000 tons).

TOBACCO

NEW ZEALAND TOBACCO PRODUCTION AND CONSUMPTION AT RECORD LEVEL

New Zealand's production of leaf tobacco and consumption of tobacco products reached record levels in 1948, according to the American Embassy in Wellington. Imports of leaf, however, have declined somewhat in recent years.

The country's 1948-49 leaf production, composed principally of flue-cured and light air-cured types, has been forecast at 5,615,000 pounds from 4,406 acres, as compared with 4,771,000 pounds from 4,361 acres in 1947-48 and an annual average of 3,668,000 pounds from 3,392 acres during the 5-year period, 1942-43 through 1946-47. The 1948-49 yield per acre of 1,274 pounds is 17 percent above the 1947-48 yield of 1,093 pounds and 18 percent above the 1942-43 through 1946-47 average of 1,081 pounds per acre.

Imports of leaf into New Zealand during 1948, totaled 4,346,000 pounds, as compared with 4,651,000 pounds in 1947 and a 1942-46 annual average of 5,024,000 pounds. Flue-cured leaf from the United States accounts for most of the country's unmanufactured tobacco imports. In 1948 exports of this type from the United States to New Zealand totaled 3,827,000 pounds.

Leaf released to manufacturers from bonded warehouses in 1948 totaled 8,306,000 pounds, composed of about 3,251,000 pounds of domestic leaf and 5,055,000 pounds pounds of imported leaf. This is the highest rate of leaf consumption on record and is 4 percent greater than the 7,985,000 pounds released to manufacturers in 1947 and 44 percent above the 5,772,000 pounds released in 1946. Domestic leaf accounted for 39 percent of total consumption in 1948, as compared with 38 percent in 1947 and 49 percent in 1946.

SOUTHERN RHODESIA'S TOBACCO PRODUCTION AND EXPORTS TREBLE PREWAR

Southern Rhodesia's 1948-49 production and 1948 exports of leaf tobacco were more than treble the prewar level, according to the American Embassy in Pretoria.

The country's 1948-49 tobacco crop is officially estimated at 78.8 million pounds from 136,220 acres, as compared with 77.9 million pounds from 119,971 acres in 1947-48 and the prewar, 1935-36 through 1939-40, annual average of 26.1 million pounds from 51,447 acres. The 1948-49 yield per acre of 579 pounds was 11 percent below the 1947-48 yield of 649 pounds, but 14 percent above the prewar, 1935-36 through 1939-40, average of 507 pounds per acre. The decline in yield in 1948-49 was due primarily to a prolonged drought during the growing season.

Flue-cured leaf accounted for 96 percent of the total production in 1948-49, as compared with 97 percent in 1947-48 and 94 percent in the 1935-36 through 1939-40 period. Production of this type in 1948-49 totaled 75.5 million pounds from 128,500 acres. In addition to flue-cured leaf, Southern Rhodesia in 1948-49, produced 2.5 million pounds of Turkish and 800 thousand pounds of dark fire-cured leaf.

Leaf exports in 1948 totaled 67.7 million pounds, as compared with 46.7 million pounds in 1947 and an annual average of 19.2 million pounds in the prewar, 1935-39, period. The United Kingdom took 44.2 million pounds, or 65 percent of Southern Rhodesia's total leaf exports in 1948. This compares with 28.1 million pounds, or 60 percent in 1947 and 15.3 million pounds, or 80 percent in the 1935-39 period. Australia, the second most important outlet for Southern Rhodesia's leaf in 1948, took 6.4 million pounds, or 9 percent in 1948, as compared with 3.1 million pounds, or 7 percent in 1947. Other countries taking substantial quantities of leaf in 1948 include the Union of South Africa, Egypt, the Netherlands, Denmark, Belgium and the United States.

SOUTHERN RHODESIA: Exports of leaf tobacco, 1948 with comparisons

Country of Destination	Average 1935-39	1947	1948
	1,000 pounds	1,000 pounds	1,000 pounds
United Kingdom	15,273	28,126	44,162
Union of South Africa	2,497	4,906	1,793
Australia	1/	3,081	6,377
Netherlands	85	873	2,174
Egypt	1/	3,256	5,021
United States	1/	1,716	923
Denmark	1/	453	2,497
Belgium	466	740	310
Other Countries	845	3,506	4,404
Total	19,166	46,657	67,661

1/ If any, included in "Other countries".

Official and Consular Reports.

Flue-cured exports in 1948 totaled 64.0 million pounds, or 95 percent of the country's total leaf exports. This compares with 42.5 million pounds, or 91 percent in 1947 and the prewar annual average of about 17.9 million pounds, or 94 percent. In addition to flue-cured leaf, Southern Rhodesia in 1948, exported 3.2 million pounds of Turkish and about 400 thousand pounds of dark fire-cured leaf.

TROPICAL PRODUCTS

ANGOLA'S 1948 COFFEE EXPORTS AT RECORD HIGH

In 1948, Angola's exports of coffee reached an all-time high of 890,000 bags, 15 percent above the previous peak of 775,000 bags in 1946, and more than 3 times as large as the annual average prewar, 1935-39, exports of 268,000 bags, according to the American Consulate in Luanda. Angola exported 734,000 bags of coffee in 1947.

The Netherlands was Angola's leading market, taking 219,000 bags of coffee in 1948. It was followed by Portugal with 213,000 bags, the United States with 189,000 bags, and Belgium-Luxembourg with 115,000 bags. One noticeable feature in Angola's coffee trade was the increase in exports to Germany from about 130 bags in 1947 to nearly 32,000 bags in 1948.

ANGOLA: Exports of green coffee in 1948, with comparisons.

Destination	Average 1935-39	1946	1947	1948 1/
	1,000 bags	1,000 bags	1,000 bags	1,000 bags
Belgium-Luxembourg	2/	26	149	115
Netherlands	26	96	154	219
Portugal	190	139	136	213
United States	29	360	214	189
Other	23	154	81	154
Total	268	775	734	890

1/ Preliminary.
2/ Not available. Included in Other.

Estatistica do Commercio Da Navegacao and U. S. Foreign Service reports.

Angola's coffee plantations cover approximately 1,235,000 acres and are divided among 444 fazendas (farms) belonging to 331 different producers. These properties represent the greatest single investment of Portuguese and foreign capital in the Colony. It is estimated that about 125 million coffee trees are now planted in Angola.

Much credit for the development of coffee plantations in Angola is due to the efforts of the Junta de Exportacao do Cafe Colonial created in 1939. This organization has made great progress in developing cultivation through technical services to the planters, establishment of experimental stations, improvement in internal and maritime transport, and construction of storage warehouses. Through rigid classification regulations issued early in 1945, the Junta has taken great pains to insure that the quality of exports meet required international standards.

MOZAMBIQUE'S TEA PRODUCTION AND EXPORTS LARGER

Mozambique's 1949 tea production is now estimated at about 4.4 million pounds, an increase of 10 percent over the 1948 crop of slightly less than 4 million pounds, according to the American Consulate General in Lourenco Marques.

Exports of tea in 1948 amounted to 3.3 million pounds, the highest in the Colony's history, comparing with 1.4 million pounds in 1947 and an annual average of 800 thousand pounds in the prewar period 1935-39. Domestic consumption of tea in Mozambique is currently estimated at 700 thousand pounds annually.

Probably the most notable development in Mozambique's tea trade was the export of 2 million pounds of tea to the United States in 1948. This is the first time that United States importers ever purchased a substantial quantity of tea from Mozambique. During the first 4 months of 1949, Mozambique producers shipped 1.9 million pounds of tea to the United States, and they expect to ship at least 500,000 thousand pounds more by the end of the year. The Union of South Africa and Portugal are the other important markets for Mozambique's tea exports.

COTTON AND OTHER FIBER

ITALIAN COTTON MILLS REDUCING OPERATIONS

The Italian cotton industry is gradually reducing output of woven goods, due to declining sales and increasing inventories. This trend is expected to continue over the next 6 months. This situation was not reflected, however, in the April yarn production figures but the spinning mills can be expected to feel the decline in weaving fairly soon. Preliminary reports of the Ministry of Labor field offices indicate that many mills had started reducing operations in June. Trade sources are forecasting a level of activity in the cotton industry during the summer months significantly lower than in 1947 and 1948 if the present situation continues.

Yarn sales contracts in the domestic market have been steadily declining over the past few months. Sales contracts in April in the domestic market were reported to have declined to 36 percent of the January 1949 level. Activity in the cotton-spinning industry has been maintained largely on the strength of the export market for yarns. Cotton yarn exports in 1948 were 50 percent higher than in 1938, while exports of finished manufacturers were only one-third the prewar level.

The drop in activity of the weaving section is particularly due to the difficulty of selling woven textiles abroad. Competition is increasing and Italian producers are having increasing difficulties in meeting competitive prices of other exporting countries. The Italians assert that increasing labor costs make it impossible to reduce prices. Also, according to a recent study prepared by the Ministry of Labor and Commerce, one of the chief problems of the cotton textile industry is the need for modernization of its plants in order to increase production efficiency and lower costs.

Italy has lost many of its prewar markets. These included not only former colonial markets but also a number of other importers of Italian textiles that have increased domestic production of fabrics and can now fill most of their own needs. Many of these countries are buying more yarn to increase production in their own weaving establishments and importing less cloth. The loss of these markets is of extraordinary importance to the Italian cotton industry which in prewar years normally exported 35 to 40 percent of its cotton textile production.

With unemployment, Italy is obliged to export as much labor value as is possible. In the textile industry, however, an increasing quantity of yarn is exported that requires much less labor to manufacture than cloth. If yarns continue to account for the larger share of textile exports, the industry necessarily will contribute less foreign exchange income to the Italian economy than in the past.

COTTON-PRICE QUOTATIONS
ON FOREIGN MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, and the U.S. gulf-port average

Market location, kind, and quality	Date 1949	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
Alexandria		Kantar			
Ashmouni, Good	7-7	99.05 lbs.	Tallari	44.45	37.07
Ashmouni, F.G.F.	"	"	"	41.70	34.78
Karnak, Good	"	"	"	(not	quoted)
Karnak, F.G.F.	"	"	"	(not	quoted)
Bombay		Candy			
Jarila, Fine	"	784 lbs.	Rupee	620.00	23.86
Broach, Fine	"	"	"	650.00	25.01
Karachi		Maund			
4F Punjab, S.G., Fine	7-6	82.28 lbs.	"	87.00	31.90
289F Sind, S.G., Fine	"	"	"	93.00	34.10
289F Punjab, S.G., Fine	"	"	"	93.00	34.10
Buenos Aires		Metric ton			
Type B	7-7	2204.6 lbs.	Peso	1/4000.00	54.03
Lima		Sp. quintal			
Tanguis, Type 5	7-6	101.4 lbs.	Sol	335.00	32.06
Pima, Type 1	"	"	"	427.00	40.87
Recife		Arroba			
Mata, Type 4	7-7	33.07 lbs.	Cruzeiro	200.00	32.90
Sertao, Type 5	"	"	"	180.00	29.61
Sao Paulo					
Sao Paulo, Type 5	"	"	"	195.00	32.08
Torreon		Sp. quintal			
Middling, 15/16"	"	101.4 lbs.	Peso	197.00	22.46
Houston-Galveston-New Orleans av. Mid. 15/16"	"	Pound	Cent	XXXXX	31.90

Quotations of foreign markets reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.
1/ Nominal.

WORLD OUTPUT OF DAIRY PRODUCTS: (Continued from Page 32)

Switzerland: Rainfall in April and May, after a dry early spring, resulted in a sharp revival of pasture growth.

Australia: The outlook for dairy production is generally good. Dairy cattle are slightly more numerous and face the winter in good condition, with feed available for at least several months.

New Zealand: Agricultural conditions continue generally satisfactory.

L A T E N E W S

(Continued from Page 23)

It is reported that the Uruguayan commitments under the Eighth British Meat Contract have been advised that future shipments will be at prices determined under the Ninth Contract to be negotiated.

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Further cuts in British imports of United States farm products seem likely as result of a British Government "standstill" directive under which further purchases in the dollar area will be permitted only where a clear case of urgent national interest is established. Existing contracts and commitments for dollar purchases will remain in force.

This action with respect to imports from the United States, Canada and other dollar countries was announced in the House of Commons, July 6, by Sir Stafford Cripps, Britain's Chancellor of the Exchequer. He reported that dollar and gold reserves in the sterling area had declined to $1,624,000,000, a drop of $260,000,000 in 3 months. Formerly a reserve of $2,000,000,000 had been considered necessary.

Cripps said that new import programs were being considered and that these should be completed in September.

"Unless the sterling area succeeds in restoring the volume of its sales to the dollar area," he said, "these restrictions upon dollar expenditures will have to be continued."

The Chancellor did not indicate in Commons which specific agricultural products would be most greatly affected by the restriction of dollar purchases.

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The British Parliament has passed the Agricultural Marketing Act of 1949, amending Acts of 1931 and 1933. The new Act has to do with membership of the Marketing Boards and the authority of the Boards particularly with respect to buying, grading, packing, storage, processing, and sale, including prices, of agricultural commodities.

Henceforth not less than two and not more than one-fifth of total membership of such boards shall be persons appointed by the Minister of Agriculture and Fisheries, the remainder being drawn from producers.

If practices of a board result in limiting the quantity of products made available for the public's use or in regulating the price of products, and the results are contrary to the public interest, the Minister may direct a board to take steps for the purpose of preventing or mitigating damage to the public interest, and it shall be the duty of the board to comply with his directions.